

**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA**

In re: CIRCUIT CITY STORES, INC., <u>et al.</u>, Debtors.	Chapter 11 Case No. 08-35653 (KRH) (Jointly Administered) Hrg. Date: July 23 2009 at 11:00 a.m. (ET) Obj. Due: July 6, 2009 at 4:00 p.m. (ET)
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**SECOND INTERIM FEE APPLICATION OF KPMG LLP AS INDEPENDENT
AUDITORS AND TAX CONSULTANTS TO THE DEBTORS FOR
ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF
EXPENSES FOR THE PERIOD BEGINNING
FEBRUARY 1, 2009 THROUGH APRIL 30, 2009**

Name of Applicant: KPMG LLP

Authorized to Provide Professional Services to: Debtors

Date of Retention: December 22, 2008 *Nunc Pro Tunc*
to November 10, 2008

Period for which Compensation and
Expense Reimbursement is sought: February 1, 2009 through
April 30, 2009

Amount of Compensation sought as actual,
reasonable and necessary: \$ 33,894.50

Amount of Expense reimbursement sought as
actual, reasonable and necessary: \$ 0.00

This is an: _____ Monthly X Interim _____ Final Application

The total time expended in connection with the preparation of this fee application is approximately 5.0 hours and the corresponding compensation requested is approximately \$700.00

**UNITED STATES BANKRUPTCY COURT
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**UNITED STATES BANKRUPTCY COURT
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EXPENSES FOR THE PERIOD BEGINNING
FEBRUARY 1, 2009 THROUGH APRIL 30, 2009**

KPMG LLP, (“KPMG”) as auditors and tax consultants to the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) files this Second Interim Fee Application (the “Application”), pursuant to section 330(a) and 331 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rule 2016 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Eastern District of Virginia (the “Local Rules”), the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. Section 330 issued by the Executive Office for the United States Trustee (the “U.S. Trustee Guidelines”), and this Court’s Administrative Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals, dated December 9, 2008 (the “Interim Compensation Order”) (Docket No. 830), for the allowance of interim compensation for professional services performed by KPMG and reimbursement for actual and necessary expenses incurred for

the period beginning February 1, 2009 through April 30, 2009 (the “Compensation Period”), in the amount of \$33,894.50 (the “Compensation Amount”), and respectfully represents:

Background

1. On November 10, 2008 (‘the Petition Date), the Debtors filed voluntary petitions in this Court for relief under chapter 11 of the Bankruptcy Code. The Debtors continue to manage and operate their businesses as debtors in possession pursuant to Bankruptcy Code sections 1107 and 1108. On November 12, 2008, the Office of the United States Trustee for the Eastern District of Virginia appointed a statutory committee of unsecured creditors (the “Creditors’ Committee”). To date, no trustee or examiner has been appointed in these chapter 11 cases.

2. On January 16, 2009, the Court authorized the Debtors, among other things, to conduct going out of business sales at the Debtors’ remaining 567 stores pursuant to an agency agreement (the “Agency Agreement”) between the Debtors and a joint venture, as agent (the “Agent”). On January 17, 2009, the Agent commenced going out of business sales pursuant to the Agency Agreement at the Debtors remaining stores.

Relief Requested

3. By this Court’s Order, dated December 23, 2008, (the “Retention Order”) the Debtors were authorized to retain KPMG as independent auditors and tax consultants effective as of the Petition Date. The Retention Order authorized the Debtors to compensate KPMG in accordance with the procedures set forth in section 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and such

other procedures as were fixed by order of the Court. A copy of the Retention Order is attached hereto as Exhibit E.

Summary of Application

4. By this Application, and in accordance with the Interim Compensation Order, KPMG requests allowance of compensation for services rendered and actual and necessary expenses incurred in these cases for the period beginning February 1, 2009 through April 30, 2009, and in connection therewith, requests allowance of compensation in the amount of \$33,894.50 for professional fees and reimbursement of \$0.00 for necessary and actual out-of-pocket expenses. KPMG's request for compensation is broken down as follows:

	Requested			Payments Received		Outstanding	
Period Covered	Hours	Fees	Expenses	Fees	Expenses	Fees	Expenses
2/1/2009 To 2/28/2009	0.0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3/1/2009 To 3/31/2009	0.0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4/1/2009 To 4/30/2009	106.3	\$33,894.50	\$0.00	\$0.00	\$0.00	\$33,894.50	\$0.00
Grand Total	106.3	\$33,894.50	\$0.00	\$0.00	\$0.00	\$33,894.50	\$0.00

Summary of Services During the Compensation Period

5. This Application is KPMG's Second Interim Fee Application for compensation and expense reimbursement filed in these cases. During the

Compensation Period, KPMG provided professional services to the Debtors in their efforts to navigate their business through the chapter 11 process.

6. Set forth below is a summary of the services KPMG rendered to the Debtors during the Compensation Period as authorized by the Retention Order.

Tax Consulting Services

- i. Assisting with ongoing IRS examination issues, specifically focusing on refund claims, sale-leaseback claim, rebates & rewards;
- ii. General tax consulting on an as needed basis for general questions as well as answering questions associated with restructuring of NNIL, Circuit City Stores Puerto Rico LLC and InterTAN Canada Limited;
- iii. Proposed assistance with bankruptcy-related tax consulting services; and
- iv. Other consulting, advice, research, planning or analysis regarding tax issues as may be requested from time to time.

Fee Statement and Fee Application Preparation

- i. The billing procedures required by the U.S. Trustee Guidelines differ from KPMG's normal billing procedures and as such, the Local Rules and the Interim Compensation Order entered in these cases have required effort to inform the timekeepers of their responsibilities, gather and review the detailed time entries and expenses and preparation of this Application. Such activities included compiling and reviewing detailed time entries, compiling and reviewing detailed expenses incurred, preparing detailed and summary schedules of fees and expenses incurred, and drafting the narratives and schedules included in this Application.

7. A summary of the hours and fees incurred by professional and category is annexed hereto as Exhibit A and Exhibit B, respectively, and described in

detail in the time records annexed hereto as Exhibits D1 – D5. KPMG maintains contemporaneous records of the time expended for the professional services and expenses related hereto performed in connection with these chapter 11 cases and such records are maintained in the ordinary course of business.

8. The fees applied for herein are based on the usual and customary fees KPMG charges to tax and audit clients and are commensurate with the usual and customary rates charged for services performed.

9. During the Compensation Period, KPMG invoiced the Debtors for time expended by professionals related to Incremental Procedures due to bankruptcy based on hourly rates ranging from \$138.00 to \$613.00 per hour for a total of \$33,894.50. The rates reflected on this Application relating to the Incremental Procedures services represent a discount of approximately 30% to 45% of KPMG's standard rates. Of the aggregate time expended, 8.0 hours were expended by partners and managing directors, 46.9 hours were expended by senior managers and managers and 51.4 hours were expended by senior associates and associates. KPMG's blended hourly rate for services provided during the Compensation Period is \$318.86.

10. KPMG respectfully submits that the amounts applied for herein for professional services rendered on behalf of the Debtors in these cases to date are fair and reasonable given: (a) the time expended; (b) the nature and extent of the services performed at the time at which such services were rendered; (c) the value of such services; and (d) the costs of comparable services other than in these chapter 11 cases.

11. The time and labor expended by KPMG during the Compensation Period has been commensurate with the size and complexity of these cases. In rendering these services, KPMG has made every effort to maximize the benefit to the Debtors' estates, to work efficiently with the other professionals employed in these cases, and to leverage staff appropriately in order to minimize duplication of effort.

12. During the Compensation Period, KPMG provided a focused range of professional services as requested by the Debtors. KPMG respectfully submits that these services: (a) were necessary and beneficial to the successful and prompt administration of these cases; and (b) have been provided in a cost efficient manner.

Summary of Actual and Necessary Expenses During the Compensation Period

13. As set forth on Exhibit C and C1, KPMG is not currently aware of any amounts owed for reimbursement of expenses during the Compensation Period.

Reservation

14. To the extent that time or disbursement charges for services rendered or disbursements incurred relate to the Compensation Period, but were not processed prior to the preparation of this Application, KPMG reserves the right to request additional compensation for such services and reimbursement of such expenses in a future application. Furthermore, KPMG reserves the right to seek final approval of the fees and expenses requested herein.

Conclusion

15. WHEREFORE, subject to the terms of the Interim Compensation Order, KPMG respectfully requests that the Court approve the interim compensation of \$33,894.50 as compensation for professional services rendered during the Compensation Period.

Respectfully submitted,

KPMG LLP (US)



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June 15, 2009

Respectfully submitted by,

Dated: June 15, 2009
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Counsel for Debtors and Debtors
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EXHIBIT A

Circuit City Stores, Inc.

Summary Of Hours and Standard Fees Incurred By Professional
February 1, 2009 through April 30, 2009

<u>Professional</u>	<u>Position</u>	<u>Current</u> <u>Hours Billed</u>	<u>Hourly Rate</u>	<u>Fees Billed</u>
Conjura,Carol	Tax Partner	7.0	\$ 613	\$ 4,287.50
Croston,Paul William	Tax Partner	1.0	\$ 508	\$ 507.50
Gibbs,Paul Kevin	Tax Senior Manager	40.5	\$ 490	\$ 19,845.00
Degnan,Daniel J	Tax Manager	0.6	\$ 455	\$ 273.00
Sellers,Monica	Forensic Manager	5.8	\$ 330	\$ 1,914.00
Tatum,Pamela Renea	Forensic Associate	51.4	\$ 138	\$ 7,067.50
Total Hours and Fees at Discounted Rate		<u>106.3</u>		<u>\$ 33,894.50</u>
Subtotal of Fees				\$ 33,894.50
Out of Pocket Expenses				\$ -
Net Requested Fees & Out of Pocket Expenses				<u>\$ 33,894.50</u>

Summary of Hours and Standard Fees Incurred by Category
February 1, 2009 through April 30, 2009

<u>Category</u>	<u>Exhibit</u>	<u>Hours</u>	<u>Fees</u>
Audit 09 - Integrated Audit	D1	-	\$ -
Tax Consulting - Restructuring	D2	49.1	\$ 24,913.00
FY09 Special Audit Related Services	D3	-	\$ -
Employment/Fee Applications	D4	57.2	\$ 8,981.50
Audit 2/28/08-Retirement Plan	D5	-	\$ -
Total		<u>106.3</u>	<u>\$ 33,894.50</u>

Summary of Out of Pocket Expenses
February 1, 2009 through April 30, 2009

Category	Amount
Airfare	\$ -
Lodging	\$ -
Meals	\$ -
Ground Transportation	\$ -
Miscellaneous	-
Total	\$ -

Circuit City Stores, Inc.
Detail of Out of Pocket Expenses
February 1, 2009 through April 30, 2009

Name	Date	Description	Amount
		Air Fare Subtotal	<u>\$ -</u>
		Lodging Subtotal	<u>\$ -</u>
		Meals Subtotal	<u>\$ -</u>
		Ground Transportation Subtotal	<u>\$ -</u>
		Miscellaneous Subtotal	<u>\$ -</u>
		Total Out of Pocket Expenses	<u><u>\$ -</u></u>

EXHIBIT D1

EXHIBIT D1

Circuit City Stores, Inc.
Tax Consulting - Restructuring
February 1, 2009 through April 30, 2009

Name	Date	Description	Hours	Rate	Amount
Gibbs,Paul Kevin	13-Mar-09	Conference call with J. McDonald (CCS), G. Ridgeway (CCS) discussing technical areas to address in TAM (Technical Advice Memorandum).	1.0	\$ 490.00	\$ 490.00
Gibbs,Paul Kevin	16-Mar-09	Research and drafting of Technical Advice Memorandum ("TAM") related to the Sale-Leaseback claim that is currently being discussed with the Internal Revenue Service.	4.0	\$ 490.00	\$ 1,960.00
Gibbs,Paul Kevin	17-Mar-09	Research and drafting of Technical Advice Memorandum ("TAM") related to the Sale-Leaseback claim that is currently being discussed with the Internal Revenue Service.	2.9	\$ 490.00	\$ 1,421.00
Gibbs,Paul Kevin	17-Mar-09	Continue drafting of Technical Advice Memorandum ("TAM") related to the Sale-Leaseback claim that is currently being discussed with the Internal Revenue Service.	1.6	\$ 490.00	\$ 784.00
Gibbs,Paul Kevin	18-Mar-09	Research and drafting of Technical Advice Memorandum ("TAM") related to the Sale-Leaseback claim that is currently being discussed with the Internal Revenue Service.	1.0	\$ 490.00	\$ 490.00
Gibbs,Paul Kevin	27-Mar-09	Review IRS authorities factual write-up and analyze technical arguments and suggest revisions.	1.5	\$ 490.00	\$ 735.00
Conjura,Carol	30-Mar-09	Conference call with J. McDonald (CCS), G. Ridgeway (CCS) discussing the facts for the Technical Advice Memorandum ("TAM") related to the Sale-Leaseback claim.	1.0	\$ 612.50	\$ 612.50
Gibbs,Paul Kevin	30-Mar-09	Review IRS authorities and analyze technical arguments.	3.0	\$ 490.00	\$ 1,470.00
Gibbs,Paul Kevin	31-Mar-09	Conference call with C. Conjura (KPMG), P. Croston (KPMG), J. McDonald (CCS), Gail Ridgeway (CCS) discussing the facts for the Technical Advice Memorandum ("TAM") related to the Sale-Leaseback claim that is currently being discussed with the Internal Revenue Service.	1.0	\$ 490.00	\$ 490.00
Croston,Paul William	31-Mar-09	Conference call with C. Conjura (KPMG), P. Gibbs (KPMG), J. McDonald (CCS), Gail Ridgeway (CCS) discussing the facts for the Technical Advice Memorandum ("TAM") related to the Sale-Leaseback claim that is currently being discussed with the Internal Revenue Service.	1.0	\$ 507.50	\$ 507.50

Circuit City Stores, Inc.
Tax Consulting - Restructuring
February 1, 2009 through April 30, 2009

Name	Date	Description	Hours	Rate	Amount
Conjura,Carol	31-Mar-09	Conference call with P. Croston (KPMG), P. Gibbs (KPMG), J. McDonald (CCS), Gail Ridgeway (CCS) discussing the facts for the Technical Advice Memorandum ("TAM") related to the Sale-Leaseback claim that is currently being discussed with the Internal Revenue Service.	1.0	\$ 612.50	\$ 612.50
Gibbs,Paul Kevin	03-Apr-09	Review procedural requirements under Rev. Proc. 2009-2 as it relates to the Technical Advice Memorandum ("TAM") related to the Sale-Leaseback claim.	0.5	\$ 490.00	\$ 245.00
Gibbs,Paul Kevin	03-Apr-09	Review and revise IRS write-up as it relates to the Technical Advice Memorandum ("TAM") related to the Sale-Leaseback claim.	1.5	\$ 490.00	\$ 735.00
Gibbs,Paul Kevin	03-Apr-09	Research additional technical authorities cited by the IRS as it relates to the Technical Advice Memorandum ("TAM") related to the Sale-Leaseback claim.	1.0	\$ 490.00	\$ 490.00
Gibbs,Paul Kevin	06-Apr-09	Research additional technical authorities cited by the IRS as it relates to the Technical Advice Memorandum ("TAM") related to the Sale-Leaseback claim.	3.1	\$ 490.00	\$ 1,519.00
Gibbs,Paul Kevin	06-Apr-09	Continue to research additional technical authorities cited by the IRS as it relates to the Technical Advice Memorandum ("TAM") related to the Sale-Leaseback claim.	1.4	\$ 490.00	\$ 686.00
Gibbs,Paul Kevin	07-Apr-09	Research additional technical authorities cited by the IRS as it relates to the Technical Advice Memorandum ("TAM") related to the Sale-Leaseback claim.	3.9	\$ 490.00	\$ 1,911.00
Gibbs,Paul Kevin	07-Apr-09	Continue to research additional technical authorities cited by the IRS as it relates to the Technical Advice Memorandum ("TAM") related to the Sale-Leaseback claim.	1.1	\$ 490.00	\$ 539.00
Conjura,Carol	08-Apr-09	Review of IRS Form 8886 Reportable Transaction Disclosure Statement and discussion of Technical Advice Memorandum approach for sale leaseback transactions.	3.0	\$ 612.50	\$ 1,837.50
Gibbs,Paul Kevin	08-Apr-09	Research additional technical authorities and draft Circuit City Stores' supplemental submission to the Technical Advice Memorandum ("TAM").	4.0	\$ 490.00	\$ 1,960.00

Circuit City Stores, Inc.
Tax Consulting - Restructuring
February 1, 2009 through April 30, 2009

Name	Date	Description	Hours	Rate	Amount
Gibbs,Paul Kevin	09-Apr-09	Research additional technical authorities and draft supplemental submission to the Technical Advice Memorandum ("TAM").	1.5	\$ 490.00	\$ 735.00
Gibbs,Paul Kevin	09-Apr-09	Address partner review comments regarding the Circuit City Stores' supplemental submission to the Technical Advice Memorandum ("TAM").	1.0	\$ 490.00	\$ 490.00
Gibbs,Paul Kevin	09-Apr-09	Address additional review comments regarding the Circuit City Stores' supplemental submission to the Technical Advice Memorandum ("TAM").	1.0	\$ 490.00	\$ 490.00
Gibbs,Paul Kevin	09-Apr-09	Make initial final revisions to the Circuit City Stores' supplemental submission to the Technical Advice Memorandum ("TAM") and send to client.	0.5	\$ 490.00	\$ 245.00
Gibbs,Paul Kevin	13-Apr-09	Conference call with C. Conjura (KPMG), J. McDonald (CCS), G. Ridgeway (CCS) discussing client comments regarding Circuit City Stores' supplemental submission to the Technical Advice Memorandum ("TAM").	1.5	\$ 490.00	\$ 735.00
Gibbs,Paul Kevin	14-Apr-09	Make additional revisions and edits regarding the Circuit City Stores' supplemental submission to the Technical Advice Memorandum ("TAM").	1.5	\$ 490.00	\$ 735.00
Degnan,Daniel J	15-Apr-09	Review technical advice memorandum prepared by P. Gibbs and C. Conjura (both KPMG).	0.6	\$ 455.00	\$ 273.00
Gibbs,Paul Kevin	15-Apr-09	Prepare deletions statement listing the desired deletions, which is required to be attached to the submission by Rev. Proc. 2009-2.	1.0	\$ 490.00	\$ 490.00
Conjura,Carol	17-Apr-09	Review responses to questions on bankruptcy impact from IRS as it relates to the Technical Advice Memorandum ("TAM") related to the Sale-Leaseback claim.	2.0	\$ 612.50	\$ 1,225.00
Tax Consulting - Restructuring Total			49.1		\$ 24,913.00

Circuit City Stores, Inc.
Employment/Fee Applications
February 1, 2009 through April 30, 2009

Name	Date	Description	Hours	Rate	Amount
Tatum,Pamela Renea	02-Feb-09	Review January time and expense details for Circuit City.	3.9	\$ 137.50	\$ 536.25
Tatum,Pamela Renea	02-Feb-09	Continue to review January time and expense details for Circuit City.	2.1	\$ 137.50	\$ 288.75
Tatum,Pamela Renea	03-Feb-09	Review January time and expense details for Circuit City.	3.0	\$ 137.50	\$ 412.50
Tatum,Pamela Renea	04-Feb-09	Prepare a draft invoice for the January time and expense to present to management.	2.0	\$ 137.50	\$ 275.00
Tatum,Pamela Renea	05-Feb-09	Prepare the Circuit City January time details for the manager and attorney's review.	1.5	\$ 137.50	\$ 206.25
Sellers,Monica	06-Feb-09	Review Circuit City detail and provide revisions and comments prior to finalization.	1.2	\$ 330.00	\$ 396.00
Tatum,Pamela Renea	06-Feb-09	Prepare the delimited file for November and December monthly fee statements as requested by the United States TrUnited States Trusteeeee.	2.7	\$ 137.50	\$ 371.25
Sellers,Monica	09-Feb-09	Review time detail and provide for inclusion into fee statement.	0.5	\$ 330.00	\$ 165.00
Tatum,Pamela Renea	09-Feb-09	Revise the Circuit City January fee statement with comments from the manager and attorney's review.	2.9	\$ 137.50	\$ 398.75
Tatum,Pamela Renea	09-Feb-09	Prepare the final draft January fee statement for review.	2.1	\$ 137.50	\$ 288.75
Tatum,Pamela Renea	10-Feb-09	Revise the January fee statement.	0.5	\$ 137.50	\$ 68.75
Sellers,Monica	10-Feb-09	Respond to emails and research regarding billings.	0.4	\$ 330.00	\$ 132.00
Sellers,Monica	10-Feb-09	Conference call with S. Carlin, C. Xystros, J. McMahon and P. Tatum (all KPMG) regarding January fee statement billings and go-forward procedures.	0.6	\$ 330.00	\$ 198.00
Tatum,Pamela Renea	10-Feb-09	Conference call with S. Carlin, C. Xystros, J. McMahon and P. Tatum (all KPMG) regarding January fee statement billings and go-forward procedures.	0.6	\$ 137.50	\$ 82.50
Sellers,Monica	10-Feb-09	Review fee statement and provide comments and revisions.	0.4	\$ 330.00	\$ 132.00
Tatum,Pamela Renea	11-Feb-09	Revise the January fee statement based on managers comments.	0.6	\$ 137.50	\$ 82.50
Tatum,Pamela Renea	11-Feb-09	Send the November and December delimited files to the United States Trustee as requested.	0.3	\$ 137.50	\$ 41.25

Circuit City Stores, Inc.
Employment/Fee Applications
February 1, 2009 through April 30, 2009

Name	Date	Description	Hours	Rate	Amount
Tatum,Pamela Renea	12-Feb-09	Consult with manager on January invoice and second supplemental invoice for remaining unbilled fees.	0.7	\$ 137.50	\$ 96.25
Tatum,Pamela Renea	12-Feb-09	Conference call with S. Carlin, C. Xystros, J. McMahon and P. Tatum (all KPMG) regarding January fee statement and go-forward procedures.	0.5	\$ 137.50	\$ 68.75
Sellers,Monica	23-Feb-09	Conference call with S. Carlin, C. Xystros, J. McMahon and P. Tatum (all KPMG) regarding January fee statement and go-forward procedures.	0.5	\$ 330.00	\$ 165.00
Sellers,Monica	23-Feb-09	Review revised fee statement and provide revisions.	0.2	\$ 330.00	\$ 66.00
Sellers,Monica	25-Feb-09	Review and revise draft fee statement.	0.1	\$ 330.00	\$ 33.00
Tatum,Pamela Renea	25-Feb-09	Prepare the draft statement and provide documents to Steve Carlin regarding the unpaid amounts related to the Integrated Audit.	1.3	\$ 137.50	\$ 178.75
Sellers,Monica	26-Feb-09	Continue to review and revise draft fee statement and provide comments prior to finalization.	0.2	\$ 330.00	\$ 66.00
Tatum,Pamela Renea	26-Feb-09	Review the December and January K&S invoice and process for payment through OGC.	0.6	\$ 137.50	\$ 82.50
Tatum,Pamela Renea	26-Feb-09	Finalize the January 2009 fee statement for Circuit City and send to the attorney to serve.	1.2	\$ 137.50	\$ 165.00
Tatum,Pamela Renea	26-Feb-09	Finalize the January 2009 delimited Circuit City file for the United States Trustee.	1.1	\$ 137.50	\$ 151.25
Tatum,Pamela Renea	03-Mar-09	Prepare the 1st interim fee application for the period of November 10, 2008 through January 21, 2009.	4.0	\$ 137.50	\$ 550.00
Tatum,Pamela Renea	03-Mar-09	Continue to prepare the 1st interim fee application for the period of November 10, 2008 through January 21, 2009.	4.0	\$ 137.50	\$ 550.00
Tatum,Pamela Renea	04-Mar-09	Prepare the First Interim fee application Narrative for the period of November 10, 2008 through January 21, 2009.	2.9	\$ 137.50	\$ 398.75
Tatum,Pamela Renea	04-Mar-09	Prepare the FY09 Integrated Audit unbilled fees letter.	2.6	\$ 137.50	\$ 357.50
Sellers,Monica	05-Mar-09	Review draft interim fee application and narrative and provide initial comments and revisions.	0.8	\$ 330.00	\$ 264.00
Tatum,Pamela Renea	05-Mar-09	Draft narrative, excel files and PDF's related to the first interim fee application and provide to the manager for review.	3.3	\$ 137.50	\$ 453.75

Circuit City Stores, Inc.
Employment/Fee Applications
February 1, 2009 through April 30, 2009

Name	Date	Description	Hours	Rate	Amount
Sellers, Monica	06-Mar-09	Review email regarding additional work and discuss with P. Tatum (KPMG).	0.3	\$ 330.00	\$ 99.00
Tatum, Pamela Renea	06-Mar-09	Revise draft narrative, excel files and PDF's related to the first interim fee application based on the manager review.	2.9	\$ 137.50	\$ 398.75
Sellers, Monica	09-Mar-09	Review narrative and excel file for interim and reply with comments.	0.2	\$ 330.00	\$ 66.00
Sellers, Monica	12-Mar-09	Review interim fee application documents and provide comments.	0.4	\$ 330.00	\$ 132.00
Tatum, Pamela Renea	16-Mar-09	Finalize the First Interim application for the period of November 10, 2008 through January 31, 2009.	2.9	\$ 137.50	\$ 398.75
Tatum, Pamela Renea	18-Mar-09	Provide January delimited file to the United States Trustee.	0.4	\$ 137.50	\$ 55.00
Tatum, Pamela Renea	20-Apr-09	Prepare First Interim Invoice request since Order has been entered and approved.	0.8	\$ 137.50	\$ 110.00
Employment/Fee Applications Total			57.2		\$ 8,981.50

EXHIBIT D5

Circuit City Stores, Inc.
Audit 2/28/08-Retirement Plan
February 1, 2009 through April 30, 2009

Name	Date	Description	Hours	Amount
Audit 2/28/08-Retirement Plan Total			0.0	\$0.00

EXHIBIT E

KPMG Retention Order

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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

- - - - - X
In re: : Chapter 11
: :
CIRCUIT CITY STORES, INC., : 1Case No. 08-35653 (KRH)
et al., : :
: :
Debtors. : Jointly Administered
- - - - - X

**ORDER AUTHORIZING THE DEBTORS
TO RETAIN AND EMPLOY KPMG LLP AS AUDITORS
AND TAX CONSULTANTS EFFECTIVE AS OF THE PETITION DATE**

Upon the application (the "Application") of the
above-captioned debtors ("Debtors"), for the entry of
an order pursuant to sections 327(a) and 328(a) of title
11 of the United States Code, 11 U.S.C. §§ 101-1532
(the "Bankruptcy Code"), Rule 2014(a) of the Federal



Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 2014-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Eastern District of Virginia (the "Local Rules"), authorizing them to employ and retain KPMG LLP ("KPMG") as auditors and tax consultants to the Debtors in the above-captioned chapter 11 cases effective as of the Petition Date;¹ and upon the Declaration of Christos M. Xystros, a CPA and partner at KPMG (the "Declaration") in support thereof; and the Court being satisfied based on the representations made in the Application and in the Declaration that KPMG does not hold or represent an interest adverse to the Debtors' estates, that they are disinterested persons as that term is defined under section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, and that their employment is necessary and in the best interests of the Debtors' estates; the terms of the Engagement Letters are reasonable terms for the purposes of section 328(a) of the Bankruptcy Code; and consideration of the Application and the relief

¹ Capitalized terms not otherwise defined herein shall have the definitions ascribed to them in the Application.

requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Application having been provided; and it appearing that no other or further notice need be provided; and after due deliberation and sufficient cause appearing therefore, it is hereby

ORDERED, ADJUDGED AND DECREED that:

1. The Application is granted as modified herein.
2. In accordance with sections 327(a) and 328(a) of the Bankruptcy Code, Bankruptcy Rule 2014, and Local Rule 2014-1, the Debtors are authorized to employ and retain KPMG as auditors and tax consultants to the Debtors on the terms set forth in the Application and the Engagement Letters, as modified by this Order.
3. KPMG shall be compensated in accordance with the procedures set forth in Bankruptcy Code sections 330 and 331 and such Bankruptcy and Local Rules as may then be applicable, from time to time, and such procedures as may be fixed by order of this Court..
4. The terms and conditions of the

Engagement Letters, as modified by this Order, are approved.

5. To the extent the Debtors and KPMG enter into any additional engagement letter(s), the Debtors will file such engagement letter(s) with the Bankruptcy Court and serve such engagement letter(s) upon the United States Trustee for the Eastern District of Virginia, counsel to the Debtors', Local Restructuring counsel to the Debtors', and counsel to the Official Committee of Unsecured Creditors. To the extent any of such parties' object, within 10 days of such new engagement letters being served, to the additional services to be provided by KPMG, the Debtors will promptly schedule a hearing before the Court. All additional services will be subject to the provisions of this Order.

6. The following terms apply during the pendency of the Debtors' Chapter 11 Cases:

- (a) KPMG shall not be entitled to indemnification, contribution or reimbursement for services other than those described in the Engagement Letters and the Application, unless such services and indemnification therefore are approved by the Court; provided, that to

the extent additional engagement letters are filed with the Court and no parties object to such engagement letters in accordance with the procedures described in the immediately preceding Ordered paragraph, such engagement letters shall be deemed approved by the Court;

- (b) The Debtors shall have no obligation to indemnify KPMG, or provide contribution or reimbursement to KPMG, for any claim or expense that is either:
 - (i) judicially determined (the determination having become final) to have arisen from KPMG's bad faith, self-dealing, breach of fiduciary duty (if any such duty exists), gross negligence or willful misconduct; or
 - (ii) judicially determined (the determination having become final), based on a breach of KPMG's contractual obligations to the Debtor; or
 - (iii) settled prior to a judicial determination as to the exclusions set forth in clauses (i) and (ii) immediately above, but determined by the Court, after notice and a hearing to be a claim or expense for which KPMG should not receive indemnity, contribution or reimbursement under the terms of KPMG's retention by the Debtors pursuant to the terms of the Engagement Letters and Application, as modified by this Order; and
- (c) If, before the earlier of: (i) the entry of an order confirming a chapter 11 plan in this case (that order having become a final order no longer subject to appeal); and (ii) the entry of an order closing these chapter 11 cases, KPMG believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution

and/or reimbursement obligations under the Engagement Letters (as modified by this Order) and Application, including without limitation the advancement of defense costs, KPMG must file an application therefore in this Court, and the Debtors may not pay any such amounts to KPMG before the entry of an order by this Court approving the payment. This subparagraph (c) is intended only to specify the period of time under which the Court shall have jurisdiction over any request for fees and expenses by KPMG for indemnification, contribution or reimbursement, and not a provision limiting the duration of the Debtors' obligation to indemnify KPMG. All parties in interest shall retain the right to object to any demand by KPMG for indemnification, contribution or reimbursement; and it is further

7. The Debtors shall comply with the notice requirement set forth in paragraph 4(c) of KPMG's Standard Terms and Conditions for Advisory and Tax Services (the "Standard Terms and Conditions"), including providing the written notice required prior to disseminating or advancing any of KPMG's advice, recommendations, information, or work product to third parties.

8. During the pendency of the Chapter 11 Cases, paragraph 6 of the Standard Terms and Conditions is deleted.

9. Notwithstanding anything in the Application or the Engagement Letters to the contrary, during the pendency of the Chapter 11 Cases, this Court retains exclusive jurisdiction over all matters arising out of and/or pertaining to KPMG's engagement until such jurisdiction is relinquished.

10. The requirement under Local Bankruptcy Rule 9013-1(G) to file a memorandum of law in connection with the Motion is hereby waived.

11. This Court shall retain jurisdiction with respect to all matters arising or related to the implementation of this Order.

Dated: Richmond, Virginia
Dec 23 2008, 2008

/s/ Kevin Huennekens
UNITED STATES BANKRUPTCY JUDGE

Entered on Docket: 12/24/08

WE ASK FOR THIS:

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- and -

/s/ Douglas M. Foley
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Counsel to the Debtors
and Debtors in Possession

CERTIFICATION OF ENDORSEMENT UNDER LOCAL RULE 9022-1(C)

I hereby certify that proposed order has been
endorsed by or served upon all necessary parties.

/s/ Douglas M. Foley

Exhibit F

UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF VIRGINIA

In re: CIRCUIT CITY STORES, INC., <u>et al.</u>, Debtors.	Chapter 11 Case No. 08-35653 (KRH) (Jointly Administered) Hrg. Date: July 23, 2009 at 11:00 a.m. (ET) Obj. Due: July 6, 2009 at 4:00 p.m. (ET)
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DECLARATION PURSUANT TO RULE 2016-1 OF THE LOCAL RULES OF BANKRUPTCY PROCEDURE FOR THE UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF VIRGINIA

I, Christos M. Xystros, being duly sworn, deposes and says:

1. I am a Certified Public Accountant and a partner of KPMG LLP (“KPMG”), a professional services firm.

2. By Order dated December 23, 2008, KPMG was retained as independent auditors and tax consultants of the above captioned debtors (the “Debtors”). I submit this Declaration in conjunction with KPMG’s second interim fee application for compensation and allowance of expenses for the period February 1, 2009 through April 30, 2009 (the “Application”).

3. I have personally performed some of the services rendered by KPMG to the Debtors and am thoroughly familiar with the other work performed on behalf of the Debtors by the professionals of KPMG.

4. I have reviewed the foregoing Application and the facts set forth therein are true and correct to the best of my knowledge, information and belief. Moreover, I have reviewed Rule 2016-1 of the Local Rules of Bankruptcy Procedure for the United States Bankruptcy Court for

the Eastern District of Virginia, and submit that the Application substantially complies with such Rule.

I declare under the penalty of perjury that the foregoing is true and correct.

Executed this 15th day of June, 2009.

A handwritten signature in cursive script, reading "Christos M. Xystros".

Christos M. Xystros